

Testimony of Green Power Solutions, Inc.
Regarding SB 1, *An Act Concerning Connecticut's Energy Future*

Before the Energy and Technology Committee
March 15, 2011
Submitted by William Rees

Dear Senator Fonfara, Representative Nardello, and members of the Energy and Technology Committee,

I submit this testimony regarding SB 1, AAC Connecticut's Energy Future, on behalf of Green Power Solutions, Inc.

Background:

Green Power Solutions Inc. (formerly EastCoast Energy Inc.) was established in 2005 to develop renewable energy projects throughout the Northeast. Since 2010, Green Power Solutions, Inc. (GPS) located in Woodstock CT, has been developing urban anaerobic digestion facilities taking 100% food waste from supermarkets and restaurants to turn into electricity. In recent months, GPS has been contracted to help facilitate the development of a farm based AD system at Fairvue Farms in Woodstock CT.

Testimony:

As a developer of renewable energy projects and more specifically Anaerobic Digestion Facilities, I see some limitations with the language of the proposed bill. The CT RPS language needs to facilitate the development of in-state energy production. As the bill is currently written, it will prove detrimental to the construction of new CT renewables.

I ask that the committee make the following adjustments to the proposed bill to create a more lucrative market for the future development of in-state renewable energy generation.

- 1) Anaerobic Digestion of organic waste needs to be specifically named in the Class 1 renewable definition. Otherwise the emission limitation on biomass projects will not allow biogas projects to be considered renewable, and AD will not qualify under the RPS. I have been working to amend this same issue in the State of Washington, where AD of food waste is not specified and thus not considered renewable. As it is written for CT, AD from agricultural sources will have the same problem.
 - A. In Section 8, subsection (26), the definition should be changed to make clear that AD facilities are Class I energy sources by inserting the words "anaerobic digester gas" after "methane gas from landfills,".
- 2) In addition, Section 8, subsection (26) reclassifies existing large hydropower as a Class 1 Renewable resource. This change will allow any hydro electric generation to meet the CT RPS. Initially RPS measures were developed to create demand for small to mid-sized generation and more specifically in-state generation from renewables. This change will allow the qualification of the large out-of-state, out-of-country, facilities to qualify for the RPS as Class 1 generators.
 - A. This will be a disadvantage to CT Renewables that are competing for the limited CT RPS demand.
 - B. This will also result in the CT market being flooded with Class I RECs which will destroy their value, and further disadvantage the development of CT projects.

- C. This is bad for all new CT renewables, and will halt the financing of any new Renewables based in the CT market.

I ask that the committee eliminate the reclassification of large Hydro to meet the Class I Renewable RPS language.

- 3) To support the development in-state renewable generation. I ask the committee to develop a Feed-in-Tariff to create an incentive for CT generators. Instead of buying wind power from other states and Canada to meet the CT RPS, it should be a priority of this committee to facilitate in-state clean generation.

- A. I ask the committee to review what Vermont and Ontario have done to create local renewable generation. Each has instituted a technology specific FIT that sets pricing according to the specific economics of each clean tech.

1. This does not have to increase the costs of the general rate payers.
2. In fact, if CT would institute a biogas FIT similar to the Ontario model, CT would see a savings in the total cost of electricity from clean generation within CT.

Ontario Bioenergy Projects Feed-in-Tariff (FIT)

Price in USD

Biogas on-farm	≤ 100 kW	198 \$/MWh
Biogas on-farm	> 100 kW ≤ 250 MW	188 \$/MWh
Biogas	≤ 500 kW	162 \$/MWh
Biogas	> 500 kW ≤ 10 MW	149 \$/MWh
Biogas	> 10 MW	105 \$/MWh

Wind	On shore, any size	137 \$/MWh
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Conclusion:

This bill has many strong points that will create opportunities for clean energy and efficiency businesses. I urge you to alter section 8 (26) to include “anaerobic digester biogas” and to eliminate the reclassification of large hydro, in order to maximize the bill’s benefits to Connecticut’s small businesses and renewable energy sector.

I also recognize that the committee must seriously review any new policies that could increase rates for customers. Developing a CT feed in tariff for biogas of organic waste through Anaerobic Digestion has the greatest likelihood of lowering the impact of a feed in tariff given the economies of scale of AD facilities.

I ask that the committee look at the benefits of an anaerobic digestion of all organic waste as an energy solution throughout the State.

Thank you,

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